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VALENCIA COUNTY News-Bulletin

How cannabis helps those in pain & with other ailments

By Julia M. Dendinger
News-Bulletin Assistant Editor

The idea of being able to legally possess small amounts of cannabis and use it for fun may excite some New Mexicans, but it raised alarm bells for others.

What if cannabis was your medication for a chronic condition?

"I am a medical cannabis user and it really sucks running out of medicine," said Valencia County resident Jerry Gage.

Gage uses cannabis to manage chronic pain from a bulging disc in his back and to keep his seizure disorder in check.

When the state pulled the trigger on legalizing adult-use, recreational cannabis, Gage remembered the reports of product shortages across Canada shortly after cannabis was legalized there in October 2018.

A month later, dispensaries and medical marijuana users were reporting shortages and a dwindling supply due to the diversion of finished product to recreational users, according to a CBC News report in November of that same year. Inventory increased by the next year, giving medical and recreational users a steady supply.

To address a possible shortage of cannabis supply for its the medical cannabis program, the state's newly established Cannabis Control Division may require all licensed cannabis establishments to ensure at least 10 percent of their cannabis in stock on a monthly basis is designated for sale to qualified patients, primary caregivers and reciprocal participants.

The division can also offer incentives for increased production of cannabis plants during a shortage and if that isn't successful, limit the activity of new license holders for certain commercial activity for at least six months.

The CCD can also require producers to set aside up to 25 percent of their plants on a monthly basis for medical use if there is a shortage.

As a medical user, Gage said when he first received his medical use card, he spent a lot of time educating himself about proper use of cannabis and went through several courses to become a state certified cannabis consultant and instructor.

"A lot of people using cannabis medically, they're older. This is something they've never used," Gage said.

As he began getting to know people in the medical use community, Gage found often their medical providers were unsure about proper use as were dispensary staff.

"I felt like a lot of times, they didn't educate themselves so they could not educate their clients," he said. "For a lot of people, this is their first time using cannabis. They want to use a concentrate, for example, but they don't know how."

Gage worked with a client with pancreatic cancer, which caused severe pain. At the dispensary, cannabis wax was recommended due to its high THC content, Gage said.

"She got home and was just sitting there, looking at the wax and didn't know what to do with it," he said. "I taught her how to use it and it helped, made the pain tolerable. I worked with her for about three weeks before she passed. I talked to her the day before, and she was calm and relaxed, said she was not hurting. I knew it wouldn't be long after that."

Under the state's medical cannabis program, which was established in 2007, there are 28 qualifying conditions a person can have to be recommended the use of cannabis, ranging from cancer to Huntington's disease to severe chronic pain.

With cannabis being legalized for recreational use in New Mexico during a special 2021 legislative session, the health impacts of the drug are under the microscope once again.

At its most basic level, cannabis is made up of two primary cannabinoids — tetrahydrocannabinol (THC) and cannabidiol (CBD).

THC is the property which causes the psychoactive effects the majority of recreational users are searching for, while CBD is the property known for its ability to help fight pain and nausea.

However, in some formulations, THC is also beneficial for medical use, with the Food and Drug Administration approving THC-based drugs such as dronabinol and nabilone, which are prescribed primarily to cancer patients dealing with nausea from chemotherapy.

"Patients report many benefits of CBD, from relieving insomnia, anxiety, spasticity and pain to treating potentially life-threatening conditions such as epilepsy," Harvard Dr. Peter Grinspoon wrote. "One particular form of childhood epilepsy called Dravet syndrome is almost impossible to control but responds dramatically to a CBD-dominant strain of marijuana called Charlotte's Web."

CBD has exploded in popularity in recent years and is easily accessible in all 50 states, even those which have not legalized marijuana in any form.

According to a World Health Organization report in 2017 on the impact of CBD on the human body, there is no evidence it provides the high typically associated with cannabis use.

"In humans, CBD exhibits no effects indicative of any abuse or dependence potential ... To date, there is no evidence of public health related problems associated with the use of pure CBD," the report read.

In addition to its treatment of epilepsy, animal studies and initial research in humans has shown CBD may also be useful in treating anxiety, insomnia, chronic pain and even addiction.

"CBD can help lower cravings for tobacco and heroin under certain conditions, according to some research in humans," according to Harvard Medical Publishing. "Animal models of addiction suggest it may also help lessen cravings for alcohol, cannabis, opiates and stimulants."

Cannabis has long been hailed for its pain-fighting properties, with the National Institute on Drug Abuse finding a link between the legalization of medical marijuana and a decline in opioid overdoses in initial research, though further studies of the drug are needed.

One of the long-standing concerns with cannabis use has been claims the drug serves as a gateway to more dangerous, harder drugs, such as heroin. Studies from the NIDA have shown those who use cannabis were more likely to go on and develop an alcohol-use disorder, which is consistent with the idea of a gateway drug.

Cannabis also contributes to cross-sensitization, which primes the receptors in the brain for enhanced responses to other drugs. However, the study concluded cross-sensitization will also happen with nicotine and alcohol.

"These findings are consistent with the idea of marijuana as a 'gateway drug,' the report said. "However, the majority of people who use marijuana do not go on to use other, 'harder' substances.

"Also, cross-sensitization is not unique to marijuana. Alcohol and nicotine also prime the brain for a heightened response to other drugs and are, like marijuana,

See **Pain**, Page 3

Pain: Emphasis on science

from **PAGE 2**

also typically used before a person progresses to other, more harmful substances."

Under the new state recreational use regulations, a current medical cannabis business can apply for a dual license to produce and sell recreational products. Patients should keep their medical cannabis cards, since starting on June 29, medical use cannabis won't be subject to gross receipt taxes.

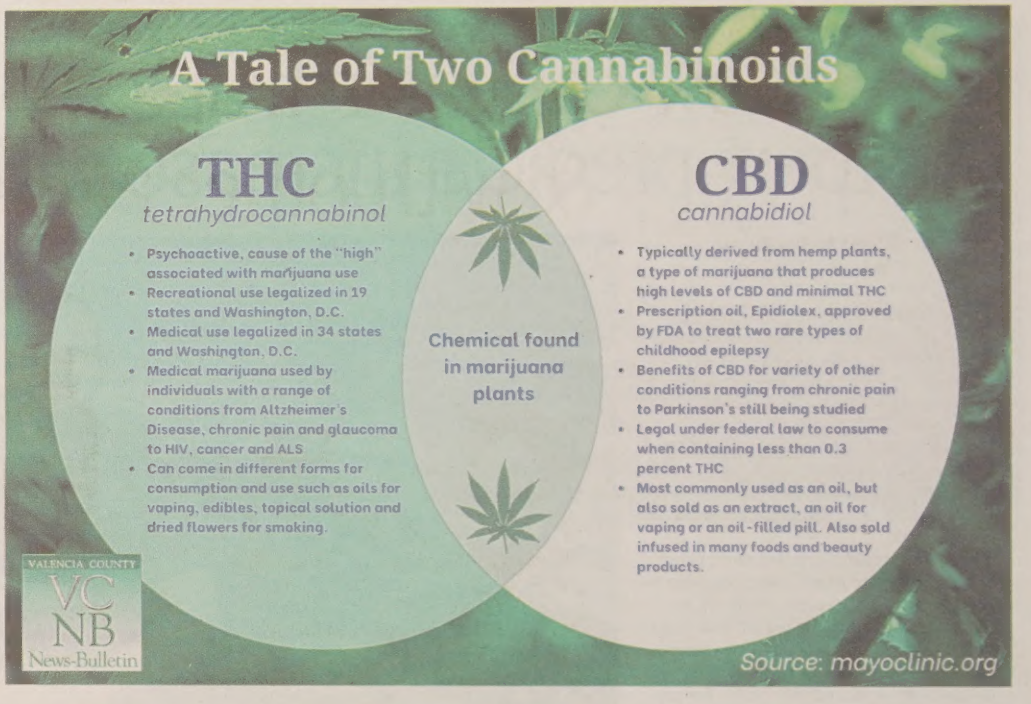
As the cannabis industry in New Mexico develops, Gage said there needs to be an emphasis on the science behind the drug.

"A lot of people just want relief. They don't want to get high. For most people, CBD does it," he said. "It will help them sleep, relieve pain and anxiety."

Different strains of cannabis contain different turpines, he said, which can be helpful in a different ways. For instance, the pinene turpine can help with memory and humulene helps with weight management.

"People need to educate themselves, and if they can't, find someone they can trust. I'm willing to help people learn. I'm pretty low key about it, and there's no money in it. I don't take payments," Gage said. "My enjoyment comes from people using it right."

If anyone wants a consultation from Jerry Gage about medical cannabis use, he can be contacted via email at jdonnm@gmail.com or by phone at 505-489-1445.


A Tale of Two Cannabinoids
THC
tetrahydrocannabinol
Psychoactive, cause of the "high" associated with marijuana use
Recreational use legalized in 19 states and Washington, D.C.
Medical use legalized in 34 states and Washington, D.C.
Medical marijuana used by individuals with a range of conditions from Altzheimer's Disease, chronic pain and glaucoma to HIV, cancer and ALS
Can come in different forms for consumption and use such as oils for vaping, edibles, topical solution and dried flowers for smoking.
Chemical found in marijuana plants
CBD
cannabidiol
Typically derived from hemp plants, a type of marijuana that produces high levels of CBD and minimal THC
Prescription oil, Epidiolex, approved by FDA to treat two rare types of childhood epilepsy
Benefits of CBD for variety of other conditions ranging from chronic pain to Parkinson's still being studied
Legal under federal law to consume when containing less than 0.3 percent THC
Most commonly used as an oil, but also sold as an extract, an oil for vaping or an oil-filled pill. Also sold infused in many foods and beauty products.
VALENCIA COUNTY
VC NB
News-Bulletin
Source: mayoclinic.org

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Drugged driving is still illegal; expert predicts increase with legalization

By Clara Garcia
News-Bulletin Editor

The crime of DWI has not changed just because recreational cannabis is now legal in New Mexico.

Los Lunas Police Lt. Charles Files, a drug recognition expert, says driving while impaired (DWI) by cannabis is not new, and DWI enforcement, including performing standardized field sobriety tests, DRE evaluations and toxicology testing, will continue as usual — although maybe now at a higher rate.

While the presumption that more people will be using recreational cannabis once it can be legally sold commercially in April 2022, Files says people aged 21 and older can now lawfully possess up to two ounces of cannabis, 16 grams of concentrates and grow as many as six mature plants for personal use.

Files, who has been with the Los Lunas Police Department for 13 years, is the state coordinator for the New Mexico Drug Recognition Expert Program.

The program is divided into two different trainings for law enforcement officers — the first being Advanced Roadside Impaired Driving Enforcement, which is a free, two-day training for all officers in the state.

"It's not a certification training, and it's not required; however, a lot of agencies are becoming much more interested in it," Files said.

"It's designed to show the roadside officer different signs and symptoms and things they might see that would corroborate somebody under the influence of drugs other than alcohol."

The initial training every officer receives in the basic law enforcement academy is to detect an impaired driver, Files says, and alcohol is heavily emphasized in that. At the end of the academy, they actually do the tests on people who have been drinking.

"But drugs, however, have such a wide variety of different affects, and police officers don't get that training in the basic police academy," Files says. "So when they're out (in the field), they might be looking at someone and feel there isn't something quite right but they're not making the correlation that it might be impairment."

Clara Garcia | News-Bulletin photo

Los Lunas Police Lt. Charles Files is the state coordinator for the New Mexico Drug Recognition Expert Program.

Files says when people think about impaired driving, they refer to illicit drugs like heroin or cocaine, but a lot of times, it's a prescribed medication that they are misusing.

"There are also over-the-counter medications, such as cough syrup that if you take too much of it, it's unsafe to drive," he said.

The second program offered is the Drug Recognition Expert certification training, a much more intensive course. Only 1 percent of all law enforcement nationwide are certified DREs, Files said. Currently, there are 72 officers in the state of New Mexico who are certified drug recognition experts.

"It's very difficult to attain," Files said of the DRE certification. "There are prerequisites to be selected for the program. They have had to have attended the first class, they have to have experience with investigating DWIs as well as testifying in court for DWIs. They have to be an enforcement capacity, so we wouldn't accept detectives."

Those who meet the qualifications also go through a process of being hand picked for the program by a committee.

"There's always an attrition rate, we lose students along the way, but we found picking the best of the best has minimized that attrition rate," Files said.

New Mexico Drug Recognition Expert Program has existed since 1992, and over the years, it's been redeveloped and grown. Files received his certification in 2010, and began as an instructor in 2013.

While not every law enforcement agency has a DRE in its ranks, there are six in Valencia County — three in the Los Lunas Police Department, one in the Bosque Farms Police Department and two in the New Mexico State Police assigned in Valencia County.

The DRE is certified in the state of New Mexico, meaning other agencies can lend out their resources to assist others that don't have the expert.

"Since I took over the program, we've identified areas in the state that we just don't have those resources yet," Files said, "so we focus heavily on providing those ARIDE classes in those areas, and try to identify those officers and encourage them to apply for the DRE program."

A drug recognition expert is typically called to investigate after an arrest has been made, Files explained.

"An officer on the roadside has already identified that an individual may be impaired on something," he said. "They bring them back (to the police station) and they blow into the intoxilizer, and either their breath alcohol is zero or at a very low level that doesn't match what the officer saw on the roadside."

The DRE can come in afterwards and gather additional evidence of impairment. It's at that time the expert can determine if it could be a medical issue or determine if drugs are the cause of impairment.

Files says there are seven different drug categories that DREs can narrow it down to one — depressants (antidepressant medications and sleeping pills), stimulants (methamphetamine, cocaine), Adderall and Ritalin), cannabis, hallucinates, narcotic analgesics (opoids, Codeine, Vicodin, inhalants and dissociative anesthetics.

"The DRE evaluation is 45 minutes to an hour long," he said. "They go through thorough, in-depth eye examinations, they'll actually take blood pressure and vital signs and they'll run through a series of psychophysical tests.

"They'll even look at their pupils in three different lighting conditions because some drugs will cause the eyes to dilate," Files explained. "They'll take the person into a very dark room and see what they're eyes are doing in the dark, and then they'll shine a light directly in their eyes. If the drug is trying to dilate the eye (make it bigger), the DRE is going to be able to see that."

There is case law in New Mexico on DRE testimony; however, law enforcement relies heavily on the prosecutor's ability to lay the foundation for the DRE to testify as an expert witness. Files says it's on a case-by-case basis, and there are times when judges may not allow a DRE to testify depending on the circumstances.

Files says every case is different, and during an investigation, an officer might be able to take a blood draw that might test positive for drugs.

See **Illegal**, Page 5

Illegal: Drive

from PAGE 4

"There's a huge misconception that the presence of a drug in someone's blood alone constitutes impairment — and it does not," Files said. "And cannabis is a great example. The metabolites in marijuana can stay in the blood for about a month depending if they're a heavy user.

"If you pull me over and there's cannabis metabolites in my blood, it doesn't mean that I was DWI at the time," he explained. "The DWI should come from the roadside officer's investigation and the impairment that he or she observed."

Files said some states have tried to adopt a legal per se like it is for alcohol — if you test at .08, you're deemed to be impaired.

Because drugs affect people differently, and depending on what the drug was, how much they took, when they took it and what the person's tolerance is, it's difficult to gauge the level of impairment with a blood test.

When legislators approved the recreational cannabis bill during a special session earlier this year, and the governor signed it into law, Files was not surprised.

"We saw it coming for a long time," he said. "What we have going for us is this isn't new. It's new for us in New Mexico, and it can be a little scary, but it's not new all over the rest of the country. It's been almost 12 years ago that it was legalized in Colorado and Washington."

Files said New Mexico law enforcement officers can look to those states and the others who have legalized recreational cannabis to analyze what worked and what didn't.

"We can tailor our approach to it based on lessons learned from them," Files said. "Drugged driving isn't new either. Of course there is the real and appreciable fear that there's going to be an increase in drugged driving, and there likely will, but we've always dealt with drugged driving, whether its cannabis, whether it's meth, whether it's prescription, it's always been an issue."

Files reminds everyone that just because recreational cannabis is legal, it's still illegal to drive impaired. In the months since recreational became legal, he hasn't seen an increase in impaired driving; although they did experience a slight increase prior to it becoming decriminalized.

"Overall, the last five to 10 years, it's just become more socially acceptable," the DRE expert said. "We have a lack of understanding in the public that we still can't drive while under the influence, regardless of whether it's medical or recreational. You cannot operate a vehicle while you are using it."

After reviewing credible data from other states, Files says there was an increase in crashes and crash fatalities in states that have legalized marijuana.

"They looked at the fatalities and drug tested the people," he said. "Based on the results of the study, it's reasonable to predict there will be an increase in crashes and injuries."

Files says the affects of cannabis on a person is undeniable — it affects concentration, coordination, reaction time, perception and judgement — everything you would want to be at the top of your game when operating a motor vehicle.

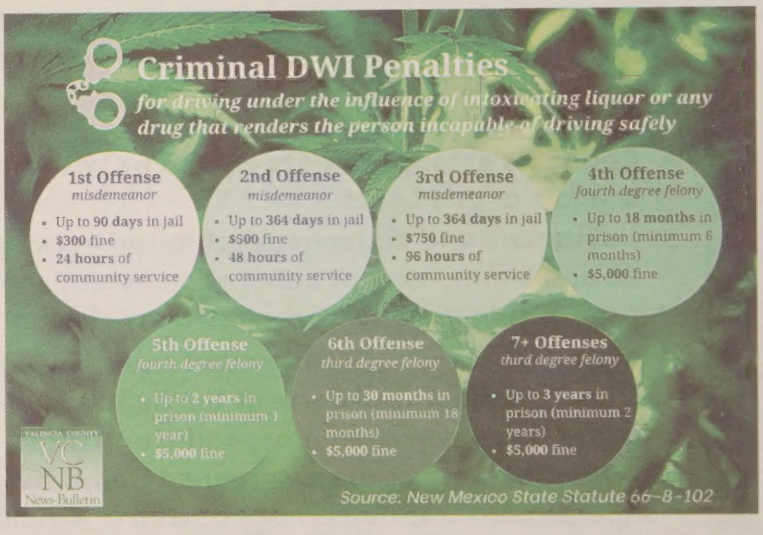
"What the public really needs to understand is when you think about DWI, our minds automatically thinks of going to that .08," Files says. "Remember that the officers on the roadside aren't having people blow into a machine. The arrest decision is based on the officer's investigation."

Cannabis affects people differently, Files said, and if someone without experience with the drug decides to use it, they need to be able to recognize they are impaired and shouldn't get behind the wheel of a vehicle.

"There is no self test for it," Files said. "If someone is smoking marijuana, their judgement is one of the first things to go. You can't really make that determination on your own. The safest bet is if you're using marijuana, just don't get behind the wheel."

Files also noted if someone is taking edible cannabis, it takes longer to feel the affects rather than someone smoking will feel it sooner.

"If you're going to use any drug or alcohol, just don't drive," he said. "We're very fortunate in Valencia County that we have six DREs available, and if we do make an arrest for DWI, we'll have someone available to come and help evaluate the person."


Criminal DWI Penalties
for driving under the influence of intoxicating liquor or any drug that renders the person incapable of driving safely
1st Offense
misdemeanor
Up to 90 days in jail
$300 fine
24 hours of community service
2nd Offense
misdemeanor
Up to 364 days in jail
$500 fine
48 hours of community service
3rd Offense
misdemeanor
Up to 364 days in jail
$750 fine
96 hours of community service
4th Offense
fourth degree felony
Up to 18 months in prison (minimum 6 months)
$5,000 fine
5th Offense
fourth degree felony
Up to 2 years in prison (minimum 1 year)
$5,000 fine
6th Offense
third degree felony
Up to 30 months in prison (minimum 18 months)
$5,000 fine
7+ Offenses
third degree felony
Up to 3 years in prison (minimum 2 years)
$5,000 fine
VALENCIA COUNTY VC NB News-Bulletin
Source: New Mexico State Statute 66-8-102

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City of Belen

- Cannabis establishments cannot be within 300 feet of schools or day cares
- Customers and deliveries prohibited between the hours of 12 and 8 a.m, except cultivation establishments more than 300 feet away from a residential zone
- All activities for cultivation and manufacturing must be conducted in the fully enclosed parts of the building *unless* a conditional use permit has been given for specific activities, or allowed an incidental storage area, screened from view from each property line
- Alcohol consumption is not allowed in a cannabis consumption area

Village of Bosque Farms

- All cannabis operations must be at least 300 feet from schools and day cares
- Use, sale, cultivation, processing, production, storage or distribution of cannabis products is prohibited on village property
- Smoking of cannabis or consumption of cannabis products on village property is prohibited
- Cannabis manufacture may only take place in a commercial zone as a regulated busines

Village of Los Lunas

- Cannabis establishments are not allowed to be built within 300 feet of schools and day care facilities
- One cannabis establishment allowed per every 2,000 residents, currently allowing for about 9 establishments within village limits
- No prohibition of consumption areas within the village, outside of the limits already outlined by state statute
- Retail cannabis establishments only permissible in C-1 and C-2 zones

Valencia County

- All cannabis operations must be at least 300 feet from schools and day cares
- Licensed growers are limited to planting and growing female clones or using feminized seed (use of male seed and plants only allowed when producing feminized seeds and seedlings in an enclosed greenhouse equipped to prevent any transfer of pollen)
- Annual production license applications are due no less than 10 days before the planting of each crop at each location; licenses are $400 per location
- Continuous production license applications are due no less than 10 days before planting; renewal applications must be done annually before February 1; licenses are $600 per location

City of Rio Communities

- Cannabis establishments are not allowed within 300 feet of schools and day cares
- Cannabis operations are limited to C-2 and C-3 zones
- Cannabis retail operations cannot be within 600 feet of another cannabis retail location
- Retail locations can sell, serve, deliver and permit the consumption of cannabis from 7-2 a.m.
- Consumption areas are only allowed at the same location as a cannabis retailer

Town of Peralta

- Cannabis establishments can only be open from 8 a.m. to 10 p.m.
- Cannabis establishments are not allowed within 300 feet of churches, schools and day cares
- Cannabis cultivation buildings must be at least 30 feet from all property lines.
- Cannabis retail establishments may only operate within 500 feet of another cannabis establishment if a conditional use permit is obtained

Legalization of marijuana could affect employment issues

By Makayla Grijalva
News-Bulletin Staff Writer

With recreational use of marijuana now legal at the state level, and municipal governments adopting ordinances to regulate the new type of business, employers are still not jumping to change their employee drug-use policies — and legally, they don't have to.

According to the New Mexico Cannabis Regulation Act, which was passed earlier this year during a special legislative session, employers are allowed to prohibit the use and possession of marijuana, or any other intoxicating substances during work hours.

Additionally, the state law protects employers who chose to establish a zero-tolerance policy for employees regarding marijuana use — medical or recreational — allowing termination if a drug test comes back positive.

Orlando Montoya, the Human Resources director for Valencia County, said after talks with their attorneys, the county currently has no plans to update their employee drug-use policy, which was last updated in 2006.

"With the government, it's really easy for us because not only do we have to follow state law, we have to follow federal law," Montoya said. "And with the feds, (the recreational use of marijuana), it's still illegal. We receive large amounts of grant money, federal money comes in ... So, with the feds, it's a no."

Still, with the majority of county employees, only a pre-employment drug test is required to be offered a job with them. The only employees required to undergo random drug-testing are safety-sensitive employees, such as law enforcement officers, detention officers and employees required to operate heavy machinery.

According to the Mayo Clinic, marijuana can be detected on a drug test up to three days following a single use and up to 30 days for an habitual user.

While with some employees, medical use of marijuana can be addressed on a case-by-case basis, Montoya said with safety-sensitive employees, any marijuana use is prohibited.

"With everything with these laws, there is always an exception, especially on the medical side," Montoya said. "Recreational, there are no protections. You are not protected from anything as an employee."

Montoya said leadership within the county began attending trainings to identify when someone is impaired due to cannabis use while on the job, as well as learn how to properly document probable cause to order an employee to drug test.

"Probable cause doesn't mean that I walk in, 'Hey, you look a little funny, go for your drug test,'" he said. "It's got to be documented and you have to display and prove that probable cause to us."

Probable cause can only be established if an employee shows up to work impaired, and the county is not regulating employees who chose to use it in their free time.

"... We are not in the business of telling people what to do outside of work," Montoya said. "It's not our job. We are not trying to infringe on anybody.

"When you are off the clock, as long as you are following the law, that's your business and we are all for that."

For a smaller business, such as Rio Grande Financial Network in Los Lunas, drug testing becomes more difficult, according to owner Yvonne Sanchez.

"We are a smaller, family-owned business, so we don't drug test," Sanchez said. "There are four of us working here — me and my mom, my cousin and my best friend, so it's a different environment, but it's something that we've thought about as things, with the legalization and things changing."

Sanchez said if the problem arises as they begin to hire more employees and expand, the business will approach the issue in a similar way as alcohol — on a case-by-case basis. Generally, employees are not allowed to drink or be intoxicated during work hours.

She said Rio Grande Financial Network would begin exploring updating their drug policy in their employee handbook.

"Right now, it doesn't seem like it's affecting us in terms of employees, but we are going to start to see it (affects) our clients because that is an issue," she said.

When Sanchez works with clients, she sees insurance agencies, in particular, concerned with whether a business sells cannabis, even legally, affecting their insurability.

"That is a huge thing that people are not even aware of," Sanchez said. "They want to open up a shop and sell cannabis, but they won't be able to get insurance coverage. I just started noticing in the last couple months that it is a question when we are quoting."

On the investment side, Sanchez is unable to open up retirement accounts for businesses that sell cannabis since the drug is not legal at the federal level.

Instead, as a small business owner and as the second-vice president of the Greater Belen Chamber of Commerce, Sanchez said her concerns lay instead with future locations of commercial cannabis businesses.

"Personally, I'm supportive of the cannabis industry, but I think we just need to, as a community, really be prepared," Sanchez said. "I'm just concerned as a community. We just don't want the other problems that could happen, like with crime."

Cannabis growers want to concentrate on high-quality product

By Julia M. Dendinger
News-Bulletin Assistant Editor

Julia M. Dendinger | News-Bulletin photo

To become recreational cannabis user's go-to for craft cannabis will take the combined talents of Shannah Padilla, head grower; Janet Miller, CEO, and Mike Kimball, COO, the folks at 4.21 Acres, a Los Chavez-based producer.

As a cannabis grower on 4.21 acres, the jokes basically write themselves. If you're Janet Miller, the CEO and owner of 4.21 Acres, a cannabis cultivation company planned in Valencia County, you embrace the fun.

"It's literally on 4.21 acres in Los Chavez. I've had this piece of property for 30 years and it's bee sitting there. I was joking around saying if I can't sell it I'm gonna' grow pot on it," Miller said, laughing.

When adult-use, recreational cannabis was legalized this year, Miller found she'd joked her way into a corner.

Her now COO and friend from high school, Mike Kimball, called her up after the special session and asked if she was serious about growing cannabis. She was.

As a producer, Miller and Kimball, along with 4.21's head grower, Shannah Padilla, will grow the cannabis, cut and dry it, then package it for sale to a retail cannabis dispensary.

"We're like the wholesale part of it," Miller said. "The dispensary will buy it from us. Sometimes they will have loose buds in a jar, or they'll package it but we're not involved in that part. We are strictly involved in the growing of the plant, then selling it."

Miller has submitted her application to the state and it's under review by the state's Cannabis Control Division, as is her lease of two-acre feet a year of irrigation water rights from the village of Bosque Farms by the state Office of the State Engineer.

Once growing begins, Miller said they will be providing cannabis to dispensaries for recreational use. The product still has to undergo quality testing to check for cannabinoid levels of tetrahydrocannabinol — THC — and cannabidiol — CBD — at a state lab.

"They also test for molds or other microbials. We have to pass the tests on all that before it's salable," she said. "Right now, there are only two state-approved testing facilities for both medical and recreational cannabis. They're going to be very busy."

The CCD can also ask for testing of a producer's product at any time to make sure they are in compliance, Miller said.

To date, since she already owns agricultural property, most of the cost of setting up the business has been in lawyer's fees, she said.

"Once the build-out starts, it's going be a good $350 to 400,000. One of the most costly parts is going to be putting in solar," she said. "We are using Mountain Solar in Cedar Crest. It's important for us to be powered by renewable energy, to be sustainable.

"Cannabis is known for it's greedy usage of power, especially indoor growers, and water usage. We are truly wanting to become becoming a company that is truly sustainable and responsible."

As the company grows, Miller wants to offer employment opportunities to other women since 4.21 is a woman-owned company.

"That is definitely a rarity in this industry," she said. "In terms of our product, it's our goal to create a 'comparable to organic' product because we can't say organic because that is an FDA designation."

Since the beginning the year, Kimball has been creating the graphics for the company, honing its branding images and writing the standard operating procedures for the company.

"We really want to create a standard to adhere to," Kimball said.

The company will be growing plants in greenhouses, Miller said, and the initial structure can be managed by two people.

"When we are up and running fully there will potentially be four greenhouses and I estimate that could employ about 11 people," she said. "These will be full-time, well-paid jobs with benefits and insurance."

As a residents of Albuquerque, Miller, Kimball and Padilla recognize they need

See **Grow**, Page 11

Capitalizing on the cannabis agricultural industry

By Julia M. Dendinger
News-Bulletin Assistant Editor

Recreational sales of cannabis is due to begin next spring, and jurisdictions around the state are preparing by passing ordinances, which will mandate the few areas left to their control by the state — time, place and manner.

Valencia County took a bit of a different approach in the hopes of establishing the Rio Grande Valley as a prime place to cultivate and grow cannabis. In July, the county commission unanimously adopted an ordinance that limits licensed growers to planting and growing female clones or using feminized seed.

"We are trying to set up an opportunity for these businesses to succeed," said Nancy Jo Gonzales, the county's community development director. "We have an agricultural county, with a lot of farmland. There are farmers who may be having a hard time with other crops right now. This is an opportunity farmers in an agricultural county to capitalize on this industry.

"The commission is trying to set these farmers up for success. With one male seed able to ruin an entire crop, they wanted to get ahead of things and make this a safe place to grow."

The county's ordinance allows for the use of male seeds and plants only for producing feminized seeds and seedlings, and they can only be used for production in an enclosed greenhouse equipped to prevent any transfer of pollen to the air outside.

County attorney Adren Nance said Socorro County passed a similar ordinance in reference to male seeds.

"Other counties were looking at copying it but I'm not sure if they did," Nance said. "It is a very unique ordinance designed to insure that Valencia County is an ideal place to grow high-quality cannabis because non-feminized seed won't be allowed.

"I think — though I'm not 100 percent sure — it may be the first in the nation. Non-feminized plants growing next to a farm that has invested heavily in feminized seed can destroy the whole crop with cross pollination. This ordinance should help prevent that from happening."

In keeping with state regulations, any type of cannabis establishment in the unincorporated parts of Valencia County have to be at least 300 feet from a school or day care, a requirement that will be verified when businesses apply for a license.

Being a traditional farming and agriculture community, coupled with swaths of cheap land, seem to be drawing cultivation enterprises to the county, Gonzales said.

"We're not anticipating a huge number of retail dispensaries, but more production, manufacturing and extraction," she said. "We have gotten a lot of calls about where and how people can grow."

One part of the cannabis industry the county does want to regulate fairly strictly is the extraction part, Gonzales said. There are a number of ways to extract cannabis oil, she said, but the process that uses solvents seems to be the most risky, resulting in explosions and fires that have injured employees of extraction operations.

"We want to allow this activity but in a very careful way, where it's away from residences, other commercial businesses," she said. "We are still drafting those regulations."

As the industry makes inroads into the county, Gonzales said the process is going to be "a lot of trial and error, unfortunately. Right now, it's a little bit cart before the horse because the state is letting people apply, but they want them to have a business license from their local jurisdiction.

"How do we issue business licenses without someone having an approved license from the state? There's been a lot of back-and-forth communication with the state. We're issuing temporary licenses applicants can take to the state and when they're licensed by the state, they bring that information back to us and we can finalize their license."

Gonzales predicted as the recreational cannabis industry grows across the state, a lot of counties and municipalities would need to establish their own staff of cannabis specialists and inspectors.

"This really could end up being a full-time job, someone that will have to work with the state, with their staff," she said. "We are asking our code enforcement officers to be on the look out for operations that might not be licensed, but we're putting that on top of illegal dumping, abandoned properties and all the other things they do.

"Plus, with our own ordinance, growers can only have female seeds. Am I going to send them out to look up the skirts of plants? I think with the interest we're seeing, we are going to need dedicated personnel for this industry who aren't doing five other things."

With the anticipated need for more people to regulate cannabis establishments of all types, Gonzales says she hopes the county will actually see increased tax rev-

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Cannabis: Revenue in form of taxes

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enues to pay for new positions.

The majority of the county's tax revenue comes from property taxes, rather than GRT, Gonzales said. While the cannabis crops grown in the county might be high value, the property itself will still have an agricultural use and assessment is based on that rather than a crop's value.

"The county may not see this huge boom that maybe municipalities are anticipating, since they get a lot of tax revenue from GRTs" she said. "The unincorporated areas of the county just don't have a lot of retail activity."

In addition to the current gross receipts taxes imposed on most retail sales, the state has imposed a 12 percent excise tax on retail sales of recreational cannabis sales, a third of which is dedicated to the municipality where the sale happened. Unincorporated parts of a county also get a third of any retail sales that take place in those areas.

The New Mexico excise tax on retail sales begins at 12 percent for sales starting no later than April 1, 2022, then increases by 1 percent a year, starting July 1, 2025, until it maxes out at 18 percent in 2030.

The Legislature also removed gross receipts taxes from the sales of medical cannabis. As of June 29, medical cannabis dispensaries and patients no longer had to pay GRT.

According to a May 2021 Forbes article, since Colorado legalized adult-use, recreational cannabis use in the state in 2012, it has collected more than $1.6 billion at the state level in taxes and fees.

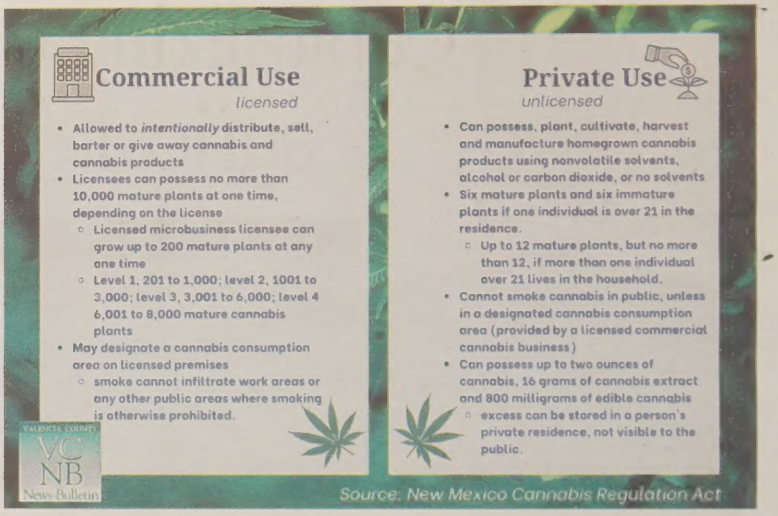
Unlike the New Mexico regulations, Colorado specified uses for some of its new revenue stream, mandating that the first $40 million or 90 percent — whichever was greater — go into a capital construction grant program, where schools, districts, and various education providers could apply for money to build new buildings or renovate existing facilities.

Revenues from a 15 percent special sales tax on recreational cannabis, minus a local share, goes to the state's general fund, according to the article, with a fraction taken for the Department of Education's State Public School Fund and the remainder going to The Marijuana Tax Cash Fund.

"Since retail sales became legal in 2012, 16.4 percent of the Marijuana Tax Cash Fund's budget, has gone to education initiatives," Robert Hoban reported in the Forbes article. "According to the Colorado Sun, lawmakers also set aside $25 million to help school districts set up full-day kindergarten programs."

Every Colorado jurisdiction that allowed recreational cannabis sales allocated their tax revenue differently.

Between 2014 and 2019, about $29 million of the city of Denver's marijuana tax revenue dollars went toward marijuana regulation and enforcement. Another $16 million went to youth prevention. After 2017, $16 million went to affordable housing, $3.1 million went to opioid intervention and $19 million went to city capital improvements.


Commercial Use
licensed
Allowed to intentionally distribute, sell, barter or give away cannabis and cannabis products
Licensees can possess no more than 10,000 mature plants at one time, depending on the license
Licensed microbusiness licensee can grow up to 200 mature plants at any one time
Level 1, 201 to 1,000; level 2, 1001 to 3,000; level 3, 3,001 to 6,000; level 4 6,001 to 8,000 mature cannabis plants
May designate a cannabis consumption area on licensed premises
smoke cannot infiltrate work areas or any other public areas where smoking is otherwise prohibited.
Private Use
unlicensed
Can possess, plant, cultivate, harvest and manufacture homegrown cannabis products using nonvolatile solvents, alcohol or carbon dioxide, or no solvents
Six mature plants and six immature plants if one individual is over 21 in the residence.
Up to 12 mature plants, but no more than 12, if more than one individual over 21 lives in the household.
Cannot smoke cannabis in public, unless in a designated cannabis consumption area (provided by a licensed commercial cannabis business)
Can possess up to two ounces of cannabis, 16 grams of cannabis extract and 800 milligrams of edible cannabis
excess can be stored in a person's private residence, not visible to the public.
VALENCIA COUNTY
VC NB
News-Bulletin
Source: New Mexico Cannabis Regulation Act

Grow: Sustainable members of community

from **PAGE 9**

to work to be a part of the community in Valencia County.

"We want to be a sustainable member of the community and provide local jobs," Miller said. "That is part of our social equity plan, which is required for a license application with the state.

"We are going to be in that community creating a large cash crop, you know, and we're not there just to suck it up and put it in our bank accounts. It's to also create a viable business that is contributing to the community. We want to create partnerships in the community and identify where we can provide economic help."

While medical cannabis has been around since 2007, there is still something of a stigma to the product, Miller said, so she and her business partners want to assure the community they will be following all local and state guidelines for safety and security.

"We're farmers just like you are, only we're growing a different crop. The kids in the neighborhood can't stop by for a free sample or anything," she said. "Anyone visiting the facility has to sign in and provide ID showing they are 21 or older."

As a production facility, 4.21 is required to have security cameras, keep the property fenced and locked and not be visible from public roads.

"Everything is tracked from seed to sales. So when a seed goes in the ground, it's tracked all the way through its growth through its processing and delivery to the dispensary and sale," she said. "They don't want this product to go missing."

As a grower, Padilla is responsible for developing the different cannabis strains 4.21 will grow.

"We want something with high THC content and nice terpene profiles," Padilla said.

Terpenes are compounds found in almost all plants that are responsible for the way they smell.

As 4.21's line develops, Padilla said eventually she'd like to not rely on high THC content, but rather find specific terpene profiles that can help with specific issues people may be experiencing, such as anxiety or trouble sleeping.

"Terpenes are not very well scientifically understood, how they combine with the cannabinoids but they think that they act as either catalysts or blockages," Miller said. "The industry has found that certain terpenes can influence the affect of the cannabinoids.

"Some cannabinoids strains can have a stimulating effect that can lead to say hyperactivity or paranoia. Other terpenes can come in and calm that effect down. So instead of having that paranoia, you can have a nice head high rather than a full body, melt into the couch experience."

In addition to providing high-quality cannabis, Miller and her team want to make sure people are educated about cannabis, terpenes and other aspects of the product.

"That's where we think we can become marketable," she said. "We hope in five years or so to be well known enough t hat we're the go-to for craft cannabis."

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